NSC BRIEFING

4 May 1960

ARAB BOYCOTT OF US SHIPPING

- I. Boycott of US-flag vessels in Arab ports went into effect midnight 29 April, in retaliation for picketing and boycott in New York of UAR ship Cleopatra. Thus far boycott has had little practical effect, but is gaining momentum.
 - A. Although only a few ships have actually been boycotted in Arab ports, considerable number have been diverted to non-Arab ports to avoid incidents. Some of these diversions have been made at request of UAR, Lebanese, Libyan, and Iraqi governments.
 - B. US-flag ships have not been prevented from using Suez Canal and UAR foreign ministry official has said American-owned vessels under flags-of-convenience will not be affected.
 - C. US tankers, however, will be affected. Saudi Arabian government has included tankers in general ban on loading or unloading US-flag vessels in Saudi ports. Our tankers which call at loading facilities of Iraq Petroleum Co. in Lebanon will not be served either, according to announcement by workers' union there.
 - D. Both Iraqi trade union federation and Jordanian dockworkers at

 Aqaba have announced their intention of boycotting US-flag ships.
- II. Arab government officials, while publicly supporting boycott, have expressed private concern over adverse effect a prolonged dispute could have on Arab-American relations.

A.

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B. Emotional character of issue--involving Arab belief that action against the Cleopatra is part of a "Zionist conspiracy"-- virtually demands that the governments support counterboycott, even if they are reluctant to do so.